

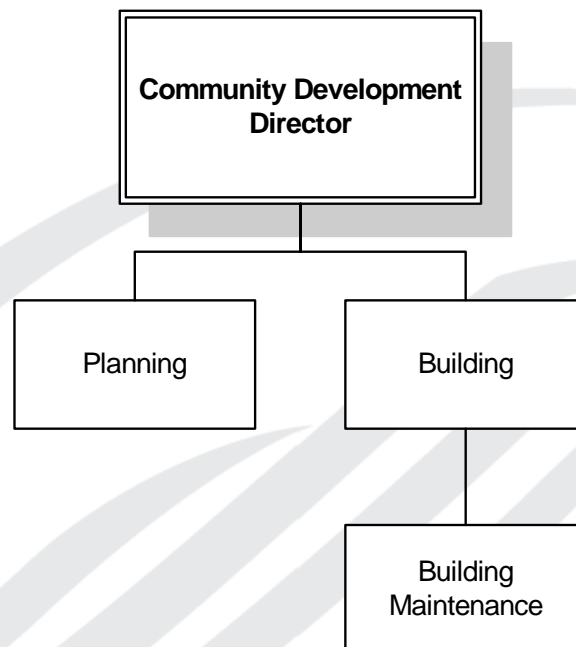
Community Development

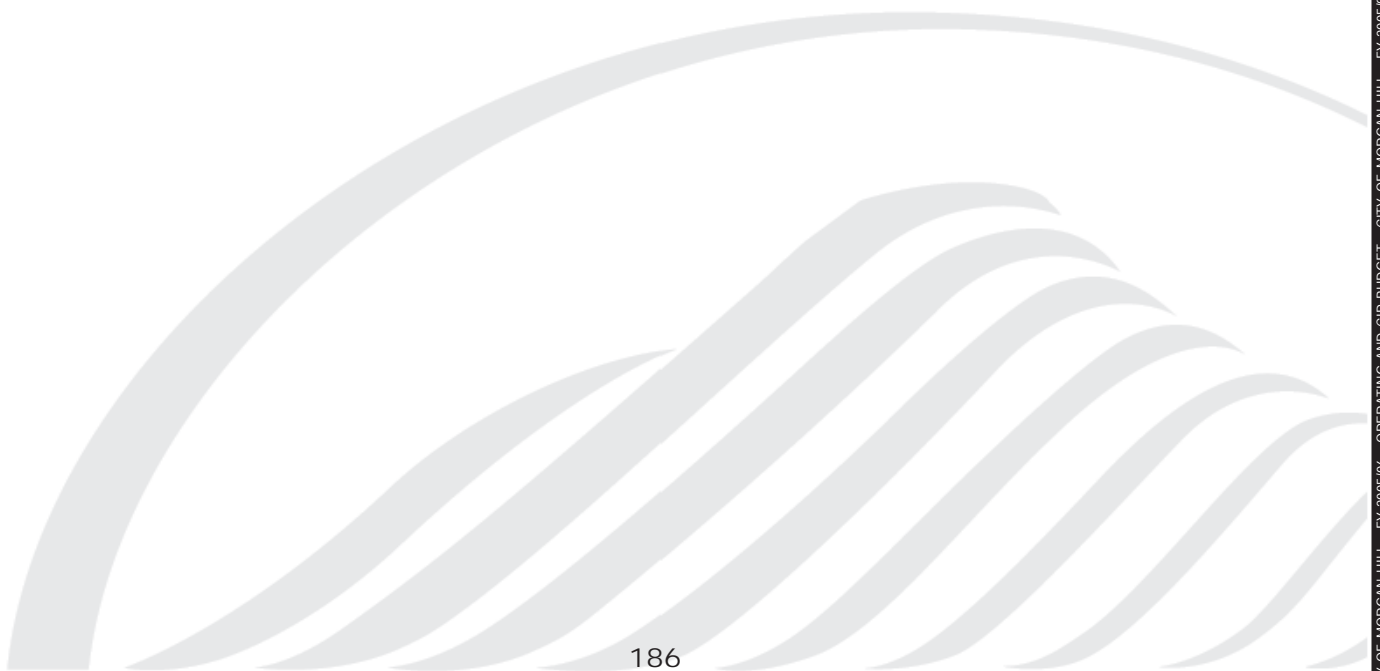
[202-6110] [206-5120] [206-5130] [207-5170] [740-2115]
[740-2120] [740-5150]

Appropriations Summary

	02/03 Actuals	03/04 Actuals	04/05 Current Budget	04/05 Estimated Actuals	05/06 Adopted Budget
Salaries	1,255,445	1,349,864	1,739,419	1,510,736	1,875,740
Supplies & Services	823,532	778,481	1,670,761	1,477,878	1,552,729
Capital Outlay	7,908	1,308	13,000	6,000	57,000
Debt Services	1,330	-	-	-	-
Internal Service	499,092	523,387	440,769	460,120	468,749
Transfers Out	-	54,000	-	-	-
Project Expenditure	-	-	-	-	-
TOTAL BY CATEGORY	2,587,307	2,707,041	3,863,949	3,454,734	3,954,218

202	6110	CONGESTION MGMT	65,815	65,626	80,329	65,223	84,994
206	5120	PLANNING	1,140,646	1,243,240	1,236,714	1,123,078	1,219,194
206	5130	BUILDING	844,132	813,118	1,055,720	930,464	1,129,216
207	5170	GENERAL PLAN UPDATE	44,318	63,022	147,742	76,801	154,553
740	2115	BUILDING MAINTENANCE-CCC	-	-	491,198	416,886	362,554
740	2120	BUILDING MAINTENANCE-AQUATICS	-	-	310,931	305,838	367,495
740	5150	BUILDING MAINTENANCE	492,395	522,036	541,316	536,444	636,212
TOTAL BY PROGRAM			2,587,307	2,707,041	3,863,949	3,454,734	3,954,218





[illegible]

The Community Development Department - Congestion Management Activity (Planning Division) is responsible for developing and implementing programs to ensure City compliance with the Santa Clara Valley Transportation Agency Congestion Management Program (CMP). This is a State-mandated program approved by the voters with the passage of Proposition 111.

FY 2004/05 HIGHLIGHTS

- Participated in Santa Clara Valley Transportation Authority (VTA) Congestion Management Program activities to facilitate City compliance with the CMP
- Provided staff support to the VTA Board Technical Advisory Committee and the Morgan Hill, Gilroy, Milpitas (MGM) Group 4 Committee
- Participated in Regional Transportation Planning Efforts
- Prepared the Annual CMP Monitoring and Compliance Report
- Assisted in securing grant funding to complete the Depot Street Streetscape Plan

FY 2005/06 ACTIVITY GOALS

- Participate in Santa Clara Valley Transportation Authority (VTA) activities to facilitate City compliance with the CMP
- Provide assistance as needed to Morgan Hill's representative on the VTA Policy Advisory Committee and the MGM Group 4 Committee
- Prepare traffic impact studies as needed and route new development applications to VTA for comment
- Ensure on-going compliance with the County Congestion Management Program through the above activities and through preparation of an Annual Monitoring and Compliance Report to be submitted to the VTA in October 2005
- Participate in the South County Transportation Study and other regional transportation planning initiatives sponsored by the VTA and initiated through the implementation of the VTP 2030 Plan
- Identify and submit a project for funding under the VTA Livable Communities and Pedestrian Program, and under the Metropolitan Transportation Commission Livable Communities grant program. It is anticipated that the City may apply for up to \$200,000 from VTA and up to \$1.6 million from MTC, possibly for a Third Street reconstruction project that would enhance pedestrian access, support downtown housing, and facilitate use of alternative transportation.

FINANCIAL COMMENTS

Division activities are funded with Proposition 111 gas tax monies. Materials and supplies have been maintained at FY 2004/05 levels. The budget also reflects a 5% increase in the Congestion Management Program Member Agency Fee from \$22,668 to \$23,801.

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[206-5120] Planning Division

ACTIVITY DESCRIPTION

The Community Development Department Planning Division is responsible for current development activities and for reviewing preliminary and specific plans for compliance with existing zoning and the General Plan. It is also responsible for research, analysis, and development of long-range comprehensive planning projects and programs for the community.

FY 2004/05 HIGHLIGHTS

- Conducted a Residential Development Control System (Measure C) competition and prepared Quarterly Monitoring Reports to the Planning Commission and City Council on the status of all Measure P and Measure C approved residential developments
- Prepared Status Reports on all Commercial, Industrial and Residential Development Projects; kept zoning and General Plan land use maps up to date.
- Posted quarterly updates on the City website
- Continued work on the Gateway Plan, and updates of the Zoning Ordinances, Subdivision Ordinances and Design Review Ordinance
- Implemented portions of the Downtown Plan including amending the General Plan and Zoning Ordinance to allow mixed use and higher density residential development in the downtown area
- Implemented Residential Development Control System Changes including new evaluation criteria for vertical mixed use development.
- Enhance monitoring of customer satisfaction by refining Customer Service Questionnaire and establishing a program for surveying customers after completion of City permit processing
- Initiated development of a Historic Context Statement

FY 2005/06 WORKPLAN

- Conduct an Industrial Land Market Analysis
- Urban Limit Line/Greenbelt Implementation Activities
- Conduct annexation of unincorporated urban island areas as requested by the Local Agency Formation Commission (LAFCO)
- Complete Historic Context Statement; Update Historical Inventory; Update Cultural Resources Preservation Ordinance
- Complete Downtown Plan Implementation Activities: Parking Standards; final amendments to PUD Ordinance for Third Street Sunsweet property.
- Complete Architectural Review Handbook
- Complete Subdivision and Zoning Ordinance Update
- Establish Regulations for Land Use Near Streams (*City Council Goal*)
- Conduct Residential Development Control System (Measure C) Downtown Area, Vertical Mixed Use, and Affordable Project competitions

FY 2005/06 ACTIVITY GOALS

- Participate in interjurisdictional effort to assist Holiday Lakes Estates property owners with a study to determine the feasibility, cost and implementation strategy for extension of sewer system and possible annexation of the unincorporated portion of Holiday Lake Estates
- Complete the amendment to the Walnut Grove PUD and work with Business and Housing to update the City's Auto Dealer Strategy
- Complete EIR and processing of land use entitlements for the Sub-regional Shopping Center at Cochrane and Highway 101

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- ## FINANCIAL COMMENTS

The Fiscal Year 2005/06 budget includes \$10,500 toward the cost of a new copier, with the Building Division supplying the remaining necessary funds; as well as \$10,500 for a new laser printer for the Department.

<u>FY 03/04</u>	<u>FY 04/05</u>	<u>FY 05/06</u>
ACTUAL	PROJ	GOAL

- Number and percent of SR Applications processed within 80 days (excluding projects requiring initial study or EIR)

32 applications	21	34
100% complete	100%	100%
- Number of applications filed which require Architecture Review Board, Planning Commission, or City Council Approval

219	216	230
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- Percent of RDCS projects provided 30-day notice of default or expiration of allotment

99%	100%	100%
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- Percent of DRC comments received on time

85%	73%	80%
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- Number of applications (which require ARB, PC or CC approval) processed per planner

Senior-65	33	54
Associate-56	56	65
Associate-44	39	45
Staff-54	93	58

[206-5120] Planning Division

Acct	Description	02/03 Actuals	03/04 Actuals	04/05 Current Budget	04/05 Estimated Actual	05/06 Adopted Budget
41100	SALARIES - GENERAL	420,008	416,727	479,546	396,964	556,974
41160	SALARIES - SAFETY	-	199	-	-	2,339
41270	SALARIES - PART-TIME	13,096	17,392	-	34,604	-
41271	SALARIES - PART-TIME TEMP	-	-	-	30,000	16,000
41320	SALARIES - OTHER PAYOUT	3,905	9,114	-	-	-
41490	OVERTIME - GENERAL	2,105	155	-	-	-
41560	UNEMPLOYMENT INSURANCE	41	683	2,013	1,138	2,434
41620	RETIREMENT - GENERAL	19,620	29,930	61,698	47,398	97,090
41630	RETIREMENT - SAFETY	-	49	-	1,454	-
41690	DEFERRED COMPENSATION	8,453	9,110	8,352	6,822	9,195
41700	GROUP INSURANCE	39,800	45,380	57,149	40,618	53,903
41701	MEDICARE	6,070	5,706	6,953	6,471	8,110
41730	INCOME PROTECTION INS	6,060	6,781	5,990	4,975	6,883
41760	WORKERS COMP	10,209	12,888	20,198	16,762	23,415
41799	BENEFITS	891	603	-	121	-
41900	CONTRACT LABOR	9,860	45,492	68,448	36,640	-
<<EMPLOYEE SERVICES>>		540,119	600,207	710,347	623,967	776,343
42214	TELEPHONE	7,140	6,857	6,237	6,237	6,548
42228	GASOLINE & OIL	64	103	100	495	661
42231	CONTRACT SERVICES	275,807	229,043	171,482	171,482	110,000
42236	BANK CARD SERVICE FEES	-	-	-	1,200	1,200
42242	CORP YARD COSTS	36	-	63	-	-
42244	STATIONERY & OFFICE SUPPLIES	2,792	2,758	4,000	4,000	4,100
42245	COMPUTER HARDWARE-NON CAPITAL	-	-	19,000	14,500	5,000
42246	COMPUTER SOFTWARE-NON CAPITAL	-	-	18,000	4,000	10,000
42248	OTHER SUPPLIES	2,826	496	1,000	1,000	1,000
42250	ADVERTISING	12,659	18,893	15,000	15,000	15,750
42252	PHOTOCOPYING	2,233	9,320	9,373	9,200	-
42254	POSTAGE & FREIGHT	4,357	3,286	4,500	3,500	3,500
42257	PRINTING	2,589	5,691	10,000	5,500	5,500
42261	AUTO MILEAGE	-	36	-	-	-
42297	PRIOR YEAR EXPENSE	-	64,085	-	-	-
42408	TRAINING & EDUCATION	1,794	730	4,000	300	4,000
42415	CONFERENCE & MEETINGS	2,855	5,187	7,500	2,400	6,100
42423	MEMBERSHIP & DUES	3,594	3,779	5,000	5,000	5,250
42435	SUBSCRIPTION & PUBLICATIONS	2,182	2,005	4,000	1,000	1,000
42526	MAINT - AUTO/TRUCKS	-	11	-	137	200
42531	MAINT - FURNITURE/OFFICE EQUIP	2,992	1,545	5,000	5,000	5,000
42550	FLEET REPLACEMENT CHARGES	1,536	-	-	-	-
<<SUPPLIES & SERVICES>>		325,455	353,825	284,255	249,951	184,809

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The Community Development Department, Building Division enforces all codes and regulations providing minimum standards to safeguard life, health, and public welfare by regulating the use, occupancy, location, and maintenance of all buildings and structures. Permit application submittals, plan reviews, issuance of permits, and field inspections for all new construction and property development activities ensures public safety and compliance with State Regulations. Additionally, the Building Division is responsible for the handling of Code Enforcement activities, which include investigation, case maintenance, and resolution of cases.

- Code Enforcement activities have increased from 927 to 1,096 cases in calendar year 2004 with 1,029 of those being mitigated and closed
- Staff has completed the redesign of our building permit
- Staff implemented a document imaging and document management system to enhance our records retention process
- Staff has made modifications to the permit software which allows all building permit application fees to be calculated automatically
- A parcel database upgrade has been completed, which includes an update of parcel information for all parcels located within our sphere of influence

- Implementation and adoption of the 2004 California Electrical Code
- Implementation of the 2005 California Energy Standards
- Implementation and adoption of the International Building Code (IBC) and International Residential Code (IRC)
- Develop a proactive Code Enforcement Business License Review Program
- Complete Phase II of our Records Retention Process which includes the conversion of Phase II

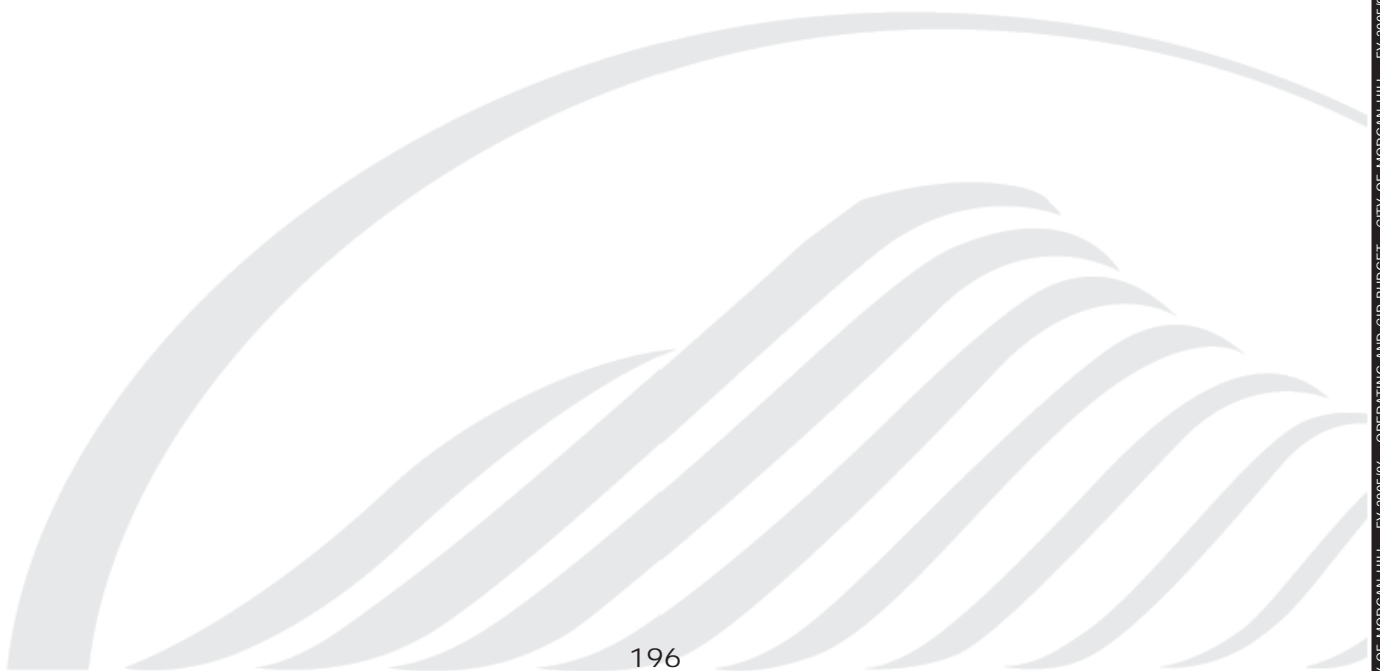
The Building Division issued 1,316 permits for calendar year 2004, totaling \$106,712,952 in total building valuations. This year's activities are expected to be similar to last years. Operation of the Building Division is funded by development fees.

	CY 03/04	CY 04/05	CY 05/06
<u>PERFORMANCE MEASURES</u>	<u>ACTUAL</u>	<u>PROJ</u>	<u>GOAL</u>
• Percent of inspections accomplished within a 24-hour response time	96.5%	96.8%	100%
• Total number of code enforcement complaints processed	927	1096	1000
• Number of code enforcement cases mitigated and closed	832	1029	950
• Percent of code enforcement cases closed	90%	94%	95%
• Percent of building permits issued over-the-counter	N/A	32%	35%

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42281	SMALL TOOLS	-	-	500	500	500
42299	OTHER EXPENSE	-	263	500	500	500
42408	TRAINING & EDUCATION	2,927	1,411	6,000	5,200	6,000
42415	CONFERENCE & MEETINGS	728	2,502	5,000	4,800	5,000
42423	MEMBERSHIP & DUES	1,119	490	2,000	1,250	2,000
42435	SUBSCRIPTION & PUBLICATIONS	1,350	1,098	2,000	1,250	2,000
42526	MAINT - AUTO/TRUCKS	811	4,512	4,000	4,800	5,500
42531	MAINT - FURNITURE/OFFICE EQUIP	636	5,324	6,000	6,000	5,000
42550	FLEET REPLACEMENT CHARGES	20,431	-	-	-	-
<<SUPPLIES & SERVICES>>		125,217	83,248	286,903	234,500	262,980

[illegible]



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This activity involves update of the City's entire General Plan. The update, which was begun in FY 1998/99, was completed in July 2001. A separate update of the Housing Element to the General Plan was completed in May 2002. It is anticipated that numerous implementation measures will be adopted as part of the new General Plan. This budget includes, in FY 2005/06, staffing to undertake certain General Plan implementation measures. The next major update of the General Plan is anticipated to begin in FY 2009/10.

- Completed updates and corrections to the General Plan Land Use Diagram
- Completed the Urban Limit Line/Greenbelt Study Final Advisory Committee Report
- Amended the General Plan and Zoning for the Downtown Area

- Complete Urban Limit Line & Greenbelt Implementation General Plan Amendment, including environmental review, to establish Urban Limit Line and adopt new text, map and policies, including the American Anchorpoint changes
- Analyze Coyote Valley Specific Plan and EIR materials prepared by the City of San Jose for possible needs to amend General Plan circulation policies, greenbelt policies, and other possible amendments
- Complete an Industrial Lands Market Analysis, to evaluate existing industrial lands as well as possible lands in the ULL “southeast quadrant” to be designated for future industrial use

- Continue work to establish the Morgan Hill greenbelt, including: coordinate with Santa Clara County and Open Space Authority; work to acquire and/or obtain easements for priority open space/greenbelt lands; coordinate with Public Works/Recreation on trails plan
- Amend the Circulation Element to include level of service standards for unsignalized intersections
- Adopt Historic Context Statement, update of Historic Resources Inventory, and possible amendment of Cultural Resources Preservation Ordinance, to implement General Plan policies regarding historic preservation.

The total cost of the General Plan update is paid for from a combination of General, Park Development Impact, Community Development, RDA, Housing, Sewer and Water Funds. All costs associated with Plan implementation in FY 2005/06 will be approximately \$60,900. This figure includes \$6,000 towards the cost of an Industrial Lands Market Analysis, \$25,000 toward the update of the Historic Resources Inventory, and \$29,900 toward the cost of a part time temporary employee to carry out Urban Limit Line and Greenbelt implementation activities.

Starting with FY 2005/06, staff will begin transferring in \$10,000 each from the General Fund, Park Maintenance Fund, Water Operations Fund and Sewer Operations Fund. This annual \$40,000 will be set aside for the next General Plan update process.

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The first summer of operation was a huge success for the Aquatics Center. The Building Maintenance component is responsible for all repairs, maintenance, event set-up, and long-term equipment replacement for the Aquatics Center.

- All start-up, preventative, and general maintenance schedules for each piece of equipment have been established
- A PG&E energy audit of the facility was performed; recommendations for cost savings were implemented

- Fill vacant half-time custodial position
- Research and evaluate alternative energy sources
- Provide boiler, heating, and ventilation training
- Install a workstation for janitorial staff
- Replace water level mechanism
- Develop an inventory of critical replacement parts for operational equipment

Operations and maintenance of the Aquatics Center are currently at 100 percent cost recovery through charges to the Aquatics Budget.

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[740-5150] Building Maintenance

ACTIVITY DESCRIPTION

Building Maintenance is responsible for custodial, maintenance, and repair services of 49 City-owned buildings, such as the Morgan Hill Library, El Toro Youth Center and YMCA (Friendly Inn.) Included in these services are the installation and maintenance of telephone and security systems. The building maintenance activities of the Community and Cultural Center and the Aquatics Center are separate from general Building Maintenance.

FY 2004/05 HIGHLIGHTS

- Maintenance staff attended safety training workshops
- Staff developed and implemented long-term maintenance schedules
- Staff hired contractors to provide preventative maintenance

FY 2005/06 ACTIVITY GOALS

- Train and cross-train janitorial staff to work at different facilities as needed
- Establish a plan for energy requirements, janitorial needs, and long-term maintenance schedules of the Indoor Recreation Center
- Maintain the City's facilities in a state of clean and good repair, protecting and preserving the investment

FINANCIAL COMMENTS

The Building Maintenance Fund is an Internal Service Fund that accounts for the cost of maintaining City facilities by charging the departments that use those facilities. An additional fee is charged for the scheduled replacement of building equipment, such as mechanical systems.

The FY05-06 budget does not include a request to fund the position of Maintenance Supervisor. The creation of this position was recommended in an analysis conducted by Maximus consultants in order to meet the need for increased general building maintenance services and the addition of 3 major public facilities.

<u>PERFORMANCE MEASURES</u>	<u>CY 03/04</u>	<u>CY 04/05</u>	<u>CY 05/06</u>
	<u>ACTUAL</u>	<u>PROJ</u>	<u>GOAL</u>
• Number of budgeted hours for city-wide custodial services	7,280	7,280	8,320
• Cost per square foot for custodial services for city buildings	\$2.51	\$1.53	\$1.75

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